

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W.R. GRACE & CO., <i>et al.</i>, Debtors.	§ § § § § §	Chapter 11 Jointly Administered Case No. 01-01139 (KJC)
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**FEE AUDITOR’S FINAL REPORT REGARDING THE AMENDED
SEVENTEENTH QUARTERLY AND FINAL APPLICATION OF LAUZON
BÉLANGER LESPÉRANCE FOR COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES FOR THE INTERIM FEE PERIOD
FROM JANUARY 1, 2014 THROUGH FEBRUARY 3, 2014 AND THE FINAL
FEE PERIOD FROM DECEMBER 21, 2009 THROUGH FEBRUARY 3, 2014**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Amended Seventeenth¹ Quarterly and Final Application of Lauzon Bélanger Lespérance for Compensation for Services Rendered and Reimbursement of Expenses for the Interim Period from January 1, 2014, through February 3, 2014 and the Final Fee Period from December 21, 2009 through February 3, 2014 (the “Application”).

BACKGROUND

1. Lauzon Bélanger Lespérance (“LBL”) was retained as Canadian counsel to the Canadian Zonolite Attic Insulation Claimants. In the Application, LBL seeks approval of fees and expenses as follows: fees totaling CDN \$6,547.50² and expenses totaling CDN \$986.70 for its

¹Although this is the seventeenth quarterly fee application which LBL has filed in this case, it covers January 1, 2014 through February 3, 2014, which is the Fifty-Second Interim Period.

²All monetary amounts listed in this report are in CDN.

services from January 1, 2014 through February 3, 2014 (the “Fifty-Second Interim Period”), and final approval of fees totaling \$113,360.65³ and expenses totaling \$20,723.08⁴ for its services from December 21, 2009 through February 3, 2014 (the “Final Application Period”).

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals.

DISCUSSION

Fifty-Second Interim Period

3. We have no issues with, or objections to, LBL’s fees and expenses for the Fifty-

³We note that the total of the fees requested in LBL’s 16 prior fee applications, plus the compensation sought for the Fifty-Second Interim Period, is \$113,360.65. It does not appear that LBL has deducted from this amount any of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 5, to arrive at the figure it seeks of \$113,360.65. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

⁴We note that the total of the expenses requested in LBL’s 16 prior fee applications, plus the expenses sought for the Fifty-Second Interim Period, is \$20,723.11. It does not appear that LBL has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 5, to arrive at the figure it seeks of \$20,723.08. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

Second Interim Period, and thus we did not send an initial report to LBL.

4. Thus, we recommend approval of CDN \$6,547.50 in fees and CDN \$986.70 in expenses for LBL's services for the Fifty-Second Interim Period.

Prior Interim Applications

5. We note that we previously filed the following final reports for LBL's prior interim applications, which final reports we incorporate by reference herein, and we also note the following orders that ruled on LBL's prior interim fee applications:

36th Period: Fee Auditor's Final Report Regarding the Quarterly Fee Application of Lauzon Bélanger for the Period of December 21, 2009 through March 31, 2010 (Docket #25388), filed on or about September 10, 2010, in which we recommended approval of fees totaling \$16,143.45 and expenses totaling \$2,216.53, reflecting our recommended reduction of \$61,492.84 in expenses, as further explained in paragraph 3 of that final report.⁵ These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Sixth Period, dated September 13, 2010 (Docket #25397).

37th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Seventh Interim Period (Docket

⁵ As noted in our final report for that period, LBL requested expenses totaling \$63,709.37 in its application. Included in this amount was \$61,492.84 for the fees and expenses of The Hogan Firm. However, The Hogan Firm had filed its own fee application requesting \$61,492.84. Both we and the U.S. Trustee called this to LBL's attention, whereupon, LBL filed a certification of counsel in which it reduced its expense request to \$2,216.53. Because LBL did not file an amended fee application to reflect this reduction, we recommended in our final report that LBL's expenses be reduced from \$63,709.37 to \$2,216.53, for a reduction of \$61,492.84 in expenses.

#25850), filed on or about December 2, 2010, in which we recommended approval of fees totaling \$13,342.65 and expenses totaling \$3,330.11. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Seventh Period, dated December 10, 2010 (Docket #25905).

38th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Eighth Interim Period (Docket #26519), filed on or about March 9, 2011, in which we recommended approval of fees totaling \$7,075.60 and expenses totaling \$1,456.13. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Eighth Period, dated March 25, 2011 (Docket #26627).

39th Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Ninth Interim Period (Docket #27116), filed on or about June 21, 2011, in which we recommended approval of fees totaling \$9,913.75 and expenses totaling \$1,319.55. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Ninth Period, dated June 30, 2011 (Docket #27188).

40th Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fortieth Interim Period (Docket #27507), filed on or about August 25, 2011, in which

we recommended approval of fees totaling \$14,764.40 and expenses totaling \$2,159.47. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fortieth Period, dated September 20, 2011 (Docket #27622).

41st Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-First Interim Period (Docket #28070), filed on or about December 2, 2011, in which we recommended approval of fees totaling \$11,883.45 and expenses totaling \$1,743.47. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-First Period, dated December 14, 2011 (Docket #28150).

42nd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Second Interim Period (Docket #28548), filed on or about February 20, 2012, in which we recommended approval of fees totaling \$9,137.10 and expenses totaling \$1,306.42. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Second Period, dated March 23, 2012 (Docket #28705).

43rd Period: Fee Auditor's Final Report Regarding the Quarterly Fee Application of Lauzon Bélanger Lespérance for the Period of October 1, 2011 through December 31, 2011 (Docket #28764), filed on or about April 4, 2012, in which we recommended approval of fees totaling \$1,731.60 and expenses

totaling \$2,461.22, reflecting our recommended reductions of \$381.90 in fees and \$337.50 in expenses, as further explained in paragraphs 3 and 4 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Third Period, dated June 14, 2012 (Docket #29054).

44th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Fourth Interim Period (Docket #29449), filed on or about August 13, 2012, in which we recommended approval of fees totaling \$6,033.30 and expenses totaling \$904.53. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Fourth Period, dated October 19, 2012 (Docket #29746).

45th Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Fifth Interim Period (Docket #29988), filed on or about December 4, 2012, in which we recommended approval of fees totaling \$2,865.60 and expenses totaling \$434.87, reflecting our recommended reduction of \$0.03 in expenses, as further explained in footnote 18 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Fifth Period, dated December 11, 2012 (Docket #30036).

46th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications

with *De Minimis* or No Fee or Expense Issues for the Forty-Sixth Interim Period (Docket #30382), filed on or about March 7, 2013, in which we recommended approval of fees totaling \$2,402.55 and expenses totaling \$364.62. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Sixth Period, dated March 27, 2013 (Docket #30440).

47th Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Seventh Interim Period (Docket #30840), filed on or about July 17, 2013, in which we recommended approval of fees totaling \$2,194.50 and expenses totaling \$336.86. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Seventh Period, dated July 31, 2013 (Docket #30907).

48th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Eighth Interim Period (Docket #31080), filed on or about September 6, 2013, in which we recommended approval of fees totaling \$2,379.75 and expenses totaling \$363.67. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Eighth Period, dated September 24, 2013 (Docket #31158).

49th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Ninth Interim

Period (Docket #31404), filed on or about November 26, 2013, in which we recommended approval of fees totaling \$1,758.45 and expenses totaling \$265.98. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Ninth Period, dated December 17, 2013 (Docket #31482).

50th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fiftieth Interim Period (Docket #31838), filed on or about March 11, 2014, in which we recommended approval of fees totaling \$2,285.70 and expenses totaling \$354.14. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fiftieth Period, dated March 11, 2014 (Docket #31963).

51st Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fifty-First Interim Application Period (Docket #32197), filed on or about May 13, 2014, in which we recommended approval of fees totaling \$2,519.40 and expenses totaling \$381.31. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fifty-First Period, dated May 23, 2014 (Docket #32216).

6. We have reviewed the final reports and orders allowing fees and expenses for the prior interim periods, and we do not believe there is any reason to change any of the amounts awarded for the prior interim periods.

CONCLUSION

7. Thus, we recommend final approval of CDN \$112,978.75 in fees (CDN \$113,360.65⁶ minus CDN \$381.90)⁷ and CDN \$20,385.58 in expenses (CDN \$20,723.08⁸ minus \$337.50)⁹ for LBL's services for the Final Application Period.

⁶We note that the total of the fees requested in LBL's 16 prior fee applications, plus the compensation sought for the Fifty-Second Interim Period, is \$113,360.65. It does not appear that LBL has deducted from this amount any of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 5, to arrive at the figure it seeks of \$113,360.65. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

⁷This is the amount of the Court-approved reductions for the prior interim periods, not previously deducted by LBL. *See* paragraph 5.

⁸We note that the total of the expenses requested in LBL's 16 prior fee applications, plus the expenses sought for the Fifty-Second Interim Period, is \$20,723.11. It does not appear that LBL has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 5, to arrive at the figure it seeks of \$20,723.08. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

⁹This is the amount of the Court-approved reductions for the prior interim periods not previously deducted by LBL. *See* paragraph 5.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.



By: _____

Warren H. Smith

Texas State Bar No. 18757050

2235 Ridge Road, Suite 105

Rockwall, Texas 75087

214-698-3868

214-722-0081 (fax)

whsmith@whsmithlaw.com

FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 6th day of August, 2014.



Warren H. Smith

SERVICE LIST

Notice Parties

Counsel for the Applicants

Daniel K. Hogan
THE HOGAN FIRM
1311 Delaware Avenue
Wilmington, DE 19806

The Debtors

Richard Finke
Assistant General Counsel
W.R. Grace & Co.
7500 Grace Drive
Columbia, MD 21044

United States Trustee

Richard Schepacarter
Office of the United States Trustee
844 King Street, Lockbox 35, Room 2207
Wilmington, DE 19801

Counsel for the Debtors

John Donley
Adam Paul
Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654

Laura Davis Jones, Esq.
James E. O'Neill
Pachulski Stang Ziehl & Jones LLP
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, DE 19899-8705

Counsel to the Official Committee of Unsecured Creditors

Denise Wildes
Stroock & Stroock & Lavan
180 Maiden Lane
New York, NY 10038-4982

Michael R. Lastowski
Duane Morris LLP
222 Delaware Avenue, Suite 1600
Wilmington, DE 19801

Counsel to the Official Committee of Property Damage Claimants

Scott L. Baena
Jay Sakalo
Bilzin, Sumberg, Baena, Price & Axelrod
1450 Brickell Avenue, Suite 2300
Miami, FL 33131

Michael B. Joseph
Theodore J. Tacconelli
Lisa Coggins
Ferry & Joseph, P.A.
824 Market Street, Suite 904
Wilmington, DE 19801

Counsel to the Official Committee of Personal Injury Claimants

Elihu Inselsbuch
Rita Tobin
Caplin & Drysdale
600 Lexington Avenue, 21st Floor
New York, NY 10022-6000

Marla R. Eskin
Mark Hurford
Kathleen Campbell Davis
Campbell & Levine, LLC
222 Delaware Avenue, Suite 1620
Wilmington, DE 19801

Counsel to the Official Committee of Equity Holders

Philip Bentley
David E. Blabey, Jr.
Kramer Levin Naftalis & Frankel
1177 Avenue of the Americas
New York, NY 10036

Teresa K.D. Currier
Saul Ewing LLP
222 Delaware Avenue
P.O. Box 1266
Wilmington, DE 19899